



MEMORANDUM OF UNDERSTANDING

Between the Rural Municipality of McKillop No. 220 and the Resort Village of Island View Regarding Road Rehabilitation – 2025 Capital Project

This Memorandum of Understanding ("MOU") is entered into by and between:

Rural Municipality of McKillop No. 220

A municipal corporation, having its principal office at 103 Ashley Street, hereinafter referred to as "Municipality A";

and

Resort Village of Island View

A municipal corporation, having its principal office at 102 Marine Drive, hereinafter referred to as "Municipality B";

Collectively referred to as the "Parties."

1. PURPOSE

The purpose of this MOU is to establish a collaborative framework between Municipality A and Municipality B for the planning, funding, and execution of a road rehabilitation project in 2025. The road lies south of SE 28-23-23-W2, from the 4-way stop to Municipality B, and serves as the sole access to Municipality B. Although the road lies entirely within the jurisdiction of Municipality A, both Parties agree that its rehabilitation is mutually beneficial for residents, visitors, and long-term infrastructure sustainability.

2. SCOPE OF WORK

The scope of the road rehabilitation project will include:

- Rehabilitation of approximately 1,170 metres of roadway;
- Supply and placement of:
 - 600 cubic yards of SPEC 103 gravel;
 - 300 cubic yards of SPEC 105 gravel;
 - 1,200 cubic yards of clay;
- Removal and remediation of fencing, and construction of temporary access routes as necessary;
- Associated trucking and mobilization costs.



3. RESPONSIBILITIES OF THE PARTIES

3.1 Municipality A agrees to:

- Provide all rehabilitation services on the road;
- Procure materials and trucking services;
- Coordinate applicable permits and approvals within its jurisdiction.

3.2 Municipality B agrees to:

- Contribute 50% of the total project cost;
- Undertake the removal and remediation of fencing, and the construction of temporary access;
- Coordinate applicable permits and approvals within its jurisdiction.

4. FINANCIAL TERMS

4.1 Estimated Project Cost

The estimated total project cost is **\$93,150**, itemized as follows:

- Road rehabilitation (1,170 metres at \$45/metre): \$52,650
- SPEC 103 Gravel (600 cu. yds @ \$25): \$15,000
- SPEC 105 Gravel (300 cu. yds @ \$20): \$6,000
- Trucking and mobilization: \$19,500

4.2 Cost-Sharing Agreement

- Municipality A: 50%
- Municipality B: 50%

4.3 Payment Schedule (Total from Municipality B: \$46,575)

- 75% due on or before **September 1, 2025**; (\$31,575)
- 25% due upon project completion and prior to reopening of the road, on or before **October 6, 2025**. (\$15,000)

5. PROJECT TIMELINE

- Estimated start date: **September 15, 2025**



- Estimated completion date: **October 14, 2025**

Both Parties will cooperate in ensuring timely progress. Delays due to unforeseen circumstances will be communicated and resolved jointly.

6. OVERSIGHT AND INSPECTION

Each Party will appoint a representative to oversee project progress and resolve any issues:

- **Municipality A:** Chief Administrative Officer (alternate – Manager of Public Works)
- **Municipality B:** Mayor (alternate – Deputy Mayor)

A joint inspection will occur upon completion to ensure work has been performed to agreed standards before final payment and road reopening.

7. MAINTENANCE & REPAIR

Upon completion, both Parties agree to maintain the road jointly in accordance with a separate Road Maintenance Agreement.

8. DISPUTE RESOLUTION

Disputes arising from this MOU will be addressed through:

- Informal negotiation;
- If unresolved, formal mediation or arbitration.

9. INSURANCE

Each Party will maintain adequate insurance coverage for their respective responsibilities during the term of this MOU.

10. INDEMNIFICATION

Each Party agrees to indemnify and hold harmless the other Party from claims, damages, or expenses arising from its own actions or omissions related to this project.

11. TERMINATION

This MOU shall terminate upon the earlier of:

- Completion of the rehabilitation project;
- **December 31, 2025.**



IN WITNESS WHEREOF, the undersigned representatives have executed this MOU on behalf of their respective municipalities:


COPY

Reeve

Rural Municipality of McKillop No. 220


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Administrator

Rural Municipality of McKillop No. 220


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Mayor

Resort Village of Island View


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Administrator

Resort Village of Island View